

**MEDIA AND ADVERTISEMENT DISTRIBUTION AND TRACKING SYSTEM  
AND METHOD OF OPERATION THEREOF**

**ABSTRACT OF THE DISCLOSURE**

For use with a computer network, a media (perhaps music) and advertisement distribution and tracking system and a method of distributing and tracking media and advertisements. In one embodiment, the system includes: (1) a media server that distributes media to remote players via the computer network according to corresponding playback rules, (2) an advertisement server that distributes advertisements to the remote players via the computer network according to corresponding advertising schedules and (3) a tracking subsystem that retrieves as-run logs from the remote players via the computer network and generates media and advertisement play reports and advertisement billing reports therefrom.